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20 Attorneys for Plaintiff
21 U.S. PHILIPS CORPORATION

22 UNITED STATES DISTRICT COURT
23 NORTHERN DISTRICT OF CALIFORNIA
24 SAN FRANCISCO DIVISION

25 U.S. PHILIPS CORPORATION, a Delaware
26 Corporation,

27 Plaintiff,

28 v.

PALM, INC., a Delaware Corporation,

Defendant.

Case No. **CV 10 2623**

) COMPLAINT FOR PATENT
) INFRINGEMENT

) DEMAND FOR JURY TRIAL

E-filing

COMPLAINT FOR PATENT INFRINGEMENT

Nature of the Action

1
2 1. This is a civil action for infringement of a patent arising under the laws of the United
3 States relating to patents, including 35 U.S.C. § 281.

Subject Matter Jurisdiction

4
5 2. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§
6 1331 and 1338(a) because this civil action arises under the laws of the United States and because this
7 civil action arises under an Act of Congress relating to patents.

Parties

8
9 3. Plaintiff U.S. Philips Corporation ("Philips") is a corporation organized and existing
10 under the laws of Delaware, with a place of business at 3000 Minuteman Road, Andover,
11 Massachusetts 01810.

12 4. Upon information and belief, Defendant Palm, Inc. ("Palm") is a corporation organized
13 and existing under the laws of Delaware, having an office and principal place of business at 950 West
14 Maude Avenue, Sunnyvale, California 94085.

Factual Background

15
16 5. Upon information and belief, the CCITT Study Group VIII and the Joint Photographic
17 Experts Group (JPEG) of ISO/IEC JTC 1/SC 29/WG 10 prepared an international technical standard,
18 CCITT Recommendation T.81, which is entitled "Terminal Equipment and Protocols for Telematic
19 Services: Information Technology-Digital Compression and Coding of Continuous-Tone Still Images-
20 Requirements and Guidelines." This standard is hereinafter referred to in this Complaint as "the JPEG
21 Standard."

22 6. Upon information and belief, specific procedures for the encoding of images are set
23 forth in the JPEG Standard.

24 7. Upon information and belief, Palm has made, used, sold, offered for sale, and imported
25 image encoding hardware and software products within the United States, including but not limited to
26 cellular telephones and personal digital assistants ("PDAs").
27
28

1 8. Upon information and belief, Palm has made, used, sold, offered for sale, and imported
2 image encoding hardware and software products within the United States that follow specific
3 procedures for the encoding of images that are set forth in the JPEG Standard. These products are
4 hereinafter referred to in this Complaint as "JPEG image encoding products."

5 9. Upon information and belief, the JPEG image encoding products or services of Palm
6 have been made, used, sold, offered for sale, and imported within the United States without any
7 authority or license from Philips.

8 **Personal Jurisdiction and Venue**

9 10. Upon information and belief, Palm voluntarily placed JPEG image encoding products or
10 services into the stream of United States commerce, conscious that this judicial district was the likely
11 destination of a substantial quantity of such products or services.

12 11. Upon information and belief, a substantial part of the events giving rise to this claim for
13 patent infringement occurred in California and in this judicial district.

14 12. Upon information and belief, Palm maintains or has maintained continuous and
15 systematic contacts with California and this judicial district.

16 13. Upon information and belief, Palm is subject to personal jurisdiction in this district
17 because it purposefully engaged in activities that gave rise to this claim for patent infringement and
18 which were directed at residents of California and this judicial district.

19 14. Upon information and belief, Palm is subject to personal jurisdiction in this district
20 because it has maintained continuous and systematic contacts with California and this judicial district.

21 15. Upon information and belief, Palm resides in this district for purposes of 28 U.S.C. §§
22 1391(c) and 1400(b) because it is subject to personal jurisdiction in this district.

23 16. Upon information and belief, venue for this civil action in this judicial district is proper
24 under 28 U.S.C. §§ 1391(b), 1391(c), 1391(d), and 1400(b).

25 **The Patent-in-Suit**

26 17. United States Patent No. 4,901,075 ("the '075 patent") issued on February 13, 1990, to
27 Peter Vogel. An *Ex Parte* Reexamination Certificate of the '075 patent issued on November 24, 2009,
28

1 without any amendments to the '075 patent. A copy of the '075 patent, entitled "Method and
2 Apparatus for Bit Rate Reduction," is attached hereto as Exhibit A, and a copy of the *Ex Parte*
3 Reexamination Certificate of the '075 patent is attached hereto as Exhibit B.

4 18. U.S. Philips Corporation is the owner by assignment of the '075 patent.

5 **Claim for Infringement Against Palm**

6 19. Palm had knowledge of the '075 patent before the filing of this lawsuit.

7 20. Palm had notice of infringement of the '075 patent before the filing of this lawsuit.

8 21. Upon information and belief, Palm has directly infringed, induced infringement of, and
9 contributed to infringement of one or more claims of the '075 patent, both literally and under the
10 doctrine of equivalents, by making, using, selling, offering for sale, and importing JPEG image
11 encoding products within the United States.

12 22. Upon information and belief, the infringing JPEG image encoding products of Palm
13 include but are not limited to cellular telephones such as the Palm Treo 600, Palm Treo 650, Palm Treo
14 680, Palm Treo 700w, Palm Treo 700p, Palm Treo 700wx, Palm Treo 750, and Palm Treo 755p, and
15 PDAs such as Palm Zire 71 and Palm Zire 72.

16 23. Upon information and belief, the infringement by Palm has been deliberate and willful.

17
18 **Prayer for Relief**

19 **WHEREFORE**, Philips respectfully requests that judgment be entered:

20 A. declaring that the Defendant has infringed the '075 patent;

21 B. declaring that the Defendant's infringement of the '075 patent has been deliberate and
22 willful;

23 C. compensating Philips for all damages caused by the Defendant's infringement of the
24 '075 patent;

25 D. enhancing Philips' damages up to three times their amount pursuant to 35 U.S.C. § 284;

26 E. granting Philips pre- and post-judgment interest on its damages, together with all costs
27 and expenses;

- 1 F. granting Philips its reasonable attorney fees pursuant to 35 U.S.C. § 285; and
2 G. awarding such other relief as this Court may deem just and proper.

3
4 **Demand for Jury Trial**

5 Plaintiff respectfully requests a trial by jury on all claims so triable.

6
7 DATED: June 15, 2010

HOWREY LLP

8 By: 
9

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